



Federal Communications Commission
Washington, D.C. 20554

October 24, 2003

DA 03-3359

Mr. John Fikre
Lynch 3G Communications Corporation
401 Theodore Fremd Avenue
Rye, New York 10580-1430

Re: Auction No. 44

Dear Mr. Fikre:

Lynch 3G Communications Corporation ("Lynch 3G"), a participant in Auction No. 44, withdrew high bids on the following licenses: (i) CMA476-C; and (ii) CMA553-C.¹ Auction No. 49, the subsequent auction for the licenses on which Lynch 3G withdrew high bids in Auction No. 44, has been completed.² Therefore, in accordance with the Commission's rules, we are able to determine that no withdrawal payment is owed and calculate the appropriate refund, as described below.

Under the Commission's Rules, a bidder that withdraws a high bid during the course of an auction is subject to a bid withdrawal payment equal to the difference between the amount of the withdrawn bid and the amount of the subsequent winning bid.³ If a high bid is withdrawn on a license that remains unsold at the close of the auction, the withdrawing bidder will be required to make an interim payment equal to three percent (3%) of the net amount of the withdrawn bid.⁴ This payment amount is deducted from any up-front payments or down payments deposited for this bidder's account with the Commission.⁵ If, in a subsequent auction, that license receives a winning bid in an amount equal to or greater than the withdrawn bid amount, then no final bid withdrawal payment will be assessed, and upon appropriate request, the Commission will refund the interim three percent (3%) payment.⁶ If, in a subsequent auction, the winning bid for that license is less than the bidder's withdrawn bid amount, then the bidder will be required to make a

¹ Lower 700 MHz Auction Closes, Winning Bidders Announced, Down Payments Due October 4, 2002, *Ten-Day Petition to Deny Period, Public Notice*, DA 02-2323 at Attachment C (rel. September 20, 2002) ("*Auction No. 44 Winning Bidders' Public Notice*").

² Lower 700 MHz Auction Closes, Winning Bidders Announced, Down Payments Due July 2, 2003, *Ten-Day Petition to Deny Period, Public Notice*, DA 03-1978 (rel. June 18, 2003) ("*Auction No. 49 Winning Bidders' Public Notice*").

³ 47 C.F.R. § 1.2104(g)(1).

⁴ *Id.*; *Auction No. 44 Winning Bidders' Public Notice* at Attachment C. This attachment identifies bidders that withdrew bids in Auction 44 and indicates the interim three percent bid withdrawal payment.

⁵ See 47 C.F.R. § 1.2106(e); *Auction No. 44 Winning Bidders' Public Notice* at Attachment C.

⁶ 47 C.F.R. § 1.2104(g)(1).

Mr. John Fikre
October 24, 2003

final bid withdrawal payment equal to either the difference between the bidder's net withdrawn bid and the subsequent net winning bid, or the difference between the bidder's gross withdrawn bid and the subsequent gross winning bid, whichever is less.⁷

With respect to Lynch 3G's bid withdrawals on unsold licenses in Auction No. 44, the Commission has previously deducted interim bid withdrawal payments from the funds on deposit with the Commission.⁸ As shown in Attachment A, in the case of license CMA476(C), the gross winning bid amount, \$123,000,⁹ in the subsequent auction was greater than Lynch 3G's gross withdrawn bid amount, \$43,000 and in the case of license CMA553(C), the gross winning bid amount, \$192,000,¹⁰ in the subsequent auction was greater than Lynch 3G's gross withdrawn bid amount, \$70,000.¹¹ Therefore, in accordance with Section 1.2104 of the Commission's rules, the Commission will refund to the payor(s) of record the \$3,390 withheld in connection with these licenses upon receipt of the necessary wire transfer instructions.

Sincerely,

Margaret W. Wiener, Chief
Auctions and Industry Analysis Division
Wireless Telecommunications Bureau

⁷ *Id.*

⁸ *Auction No. 44 Winning Bidders' Public Notice*, at Attachment C. In Attachment C, the Commission explained that the interim bid withdrawal payments were based upon three percent (3%) of the gross withdrawn bids on each of the licenses: (i) CMA476(C) (\$43,000 X 3% = \$1,290); and (ii) CMA553(C) (\$70,000 X 3% = \$2,100).

⁹ *Auction No. 49 Winning Bidders' Public Notice* at Attachment A, p. 8.

¹⁰ *Auction No. 49 Winning Bidders' Public Notice* at Attachment A, p. 9.

¹¹ Attachment A (calculates the refund); *Auction No. 49 Winning Bidders' Public Notice* at Attachment D (Attachment D sets forth the withdrawal payments or refunds, based upon a reconciliation of final results in Auction No. 44 and Auction No. 49).

ATTACHMENT A

Lower 700 MHz Auction Multi-Auction Refund Report

License Number	Freq Blk	Market Description	Winning Bid Amount (Auction 49)	Lynch 3G's Withdrawn Gross Bid Amount (Auction 44)	Lynch 3G's Interim Withdrawal Payment	Lynch 3G's Final Withdrawal Payment	Refund Amount Due Lynch 3G
CMA476	C	Michigan 5-Manistee	\$123,000	\$43,000	\$1,290	0	\$1,290
CMA553	C	New Mexico-San Juan	\$192,000	\$70,000	\$2,100	0	\$2,100